

**COUNTY ADMINISTRATIVE OFFICE****BUDGET UNIT: NON-DEPARTMENTAL REVENUE (AAA FAD)****I. GENERAL PROGRAM STATEMENT**

The non-departmental revenue program includes income that is not directly related to any particular county activity. This discretionary revenue finances departmental budgets' local cost. The interest on notes appropriation reflects costs related to the county's annual short-term borrowing for cash flow needs. These costs are more than offset by earnings in the county's investment program. Special departmental expense appropriations are for county expenses that cannot be appropriately charged to a specific department.

	<b>Actual 2001-02</b>	<b>Budget 2002-03</b>	<b>Actual 2002-03</b>	<b>Budget 2003-04</b>
<b><u>Appropriations</u></b>				
Special Dept Expense	1,371,645	1,000,000	603,453	1,000,000
Interest on Notes	4,799,268	5,000,000	3,011,231	5,000,000
Total Appropriation	6,170,913	6,000,000	3,614,684	6,000,000
<b><u>Revenue</u></b>				
Taxes	150,047,566	152,046,770	161,698,014	168,721,430
Use of Money & Prop	51,517,007	23,100,000	21,877,860	20,600,000
State Aid	114,518,053	116,953,588	119,451,943	126,773,967
Federal Aid	1,497,589	1,400,000	1,534,280	1,530,275
Current Services	26,562,698	30,432,750	32,781,213	35,180,011
Other	18,940,451	1,430,000	3,590,335	1,430,000
Total Revenue	363,083,364	325,363,108	340,933,645	354,235,683

**II. BREAKDOWN OF REVENUES****TAXES**

	<b>Actual 2001-02</b>	<b>Budget 2002-03</b>	<b>Actual 2002-03</b>	<b>Budget 2003-04</b>
Co Share - Prop Tax	114,760,004	118,485,250	121,813,873	125,905,507
Supplemental Tax Roll	2,918,443	2,316,700	4,937,268	4,885,025
Penalty on Current Taxes	1,055,112	1,036,200	1,132,479	1,135,599
Prior Prop Txs/Pnlts	3,814,650	3,722,170	3,872,247	5,366,233
Sales and Use Tax	14,204,651	14,400,000	15,862,952	16,518,694
Franchise	5,453,307	4,780,000	4,846,384	5,010,000
Property Transfer	5,938,919	5,442,000	7,752,989	8,163,750
Other Taxes	1,902,480	1,864,450	1,479,822	1,736,622
Total Taxes	150,047,566	152,046,770	161,698,014	168,721,430

The county's share of the 1.0% property tax for 2003-04 is estimated to be \$125.9 million. This is based on an estimated 8.0% increase to assessed valuation.

In addition to property tax, the county is authorized to collect other types of taxes in the unincorporated areas. Sales and use taxes are projected to increase approximately 6.2% over the 2002-03 year end estimate. Franchise taxes, which are collected primarily from utility company and cable TV revenue, are projected to grow slightly.

**USE OF MONEY AND PROPERTY - \$20,600,000**

Total interest earnings for 2003-04 are projected at \$20.6 million. These earnings will be offset by \$5.0 million in expenses associated with the short-term revenue anticipation notes program (TRANS). The decrease in this revenue source is attributable to lower interest revenue projections on the TRANS. The TRANS is not expected to produce a significant amount of revenue in 2003-04, due to low spreads between borrowed and invested funds.

## COUNTY ADMINISTRATIVE OFFICE

### STATE AID

	<b>Actual 2001-02</b>	<b>Budget 2002-03</b>	<b>Actual 2002-03</b>	<b>Budget 2003-04</b>
Motor Vehicle In Lieu	111,964,215	115,154,588	117,661,384	124,974,967
Other Aid	2,553,838	1,799,000	1,790,559	1,799,000
Total State Aid	114,518,053	116,953,588	119,451,943	126,773,967

Motor vehicle in-lieu tax (VLF) is based on vehicle registration fees and new car sales statewide. The majority of these fees are allocated to local governments as general purpose financing. Distribution of these funds is made on the basis of population. In 2002-03 VLF fees to vehicle owners had been reduced by 67.5% by the State, who then backfilled these lost revenues to local governments from the State's general fund. Effective June 20, 2003, the state ceased making these backfill payments and reinstated the full VLF. However, VLF fees will not be returned to their full rate until October 1, 2003. This resulted in a loss of approximately \$2.2 million to the County's VLF general-purpose revenue in 2002-03. The 2003-04 budgeted amount reflects estimated VLF revenues assuming the backfill would remain until the full VLF rate was reinstated. It also assumes a 6% revenue increase from the 2002-03 year end estimates prior to the elimination of the backfill, based on a stable growth rate in these revenues and an increase in the County's population share.

Other aid consists of a payment from the welfare realignment trust fund, which replaced the state revenue stabilization program, and SB90 reimbursements from the state.

### FEDERAL AID - \$1,530,275

Federal payments in lieu of taxes are due to federally owned lands within the county. This revenue source is budgeted to be consistent with actual revenues received in 2002-03.

### CURRENT SERVICES

	<b>Actual 2001-02</b>	<b>Budget 2002-03</b>	<b>Actual 2002-03</b>	<b>Budget 2003-04</b>
Reimbursement-Indirect Costs	13,514,238	17,500,000	17,282,020	20,847,838
Law Enforcement Svc	3,983,962	3,937,000	4,323,386	3,937,000
Sheriff Contract Overhead	898,438	1,000,000	1,670,483	1,000,000
SB 813 Cost Reimbursement	1,455,700	1,295,750	2,668,128	2,720,173
Other Services	6,710,360	6,700,000	6,837,196	6,675,000
<b>Total Current Services</b>	<b>26,562,698</b>	<b>30,432,750</b>	<b>32,781,213</b>	<b>35,180,011</b>

Various state and federal grants permit the county to claim certain overhead costs against them. In addition, most fee supported general fund departments and taxing entities, such as the library and Board-governed special districts, are charged COWCAP to recover costs incurred in the general fund on their behalf. Reimbursement for indirect costs reflects those recovered allowable costs included in the 2003-04 countywide cost allocation plan (COWCAP). The increase in the 2003-04 budget from prior year actual is due to a change in the billing method for seven Human Services Departments, increased salary and benefit costs for employees, and increases in Unemployment Insurance costs, mainly in the Preschool Services Department.

Law enforcement services reflect the amount estimated to be recovered through the jail booking fee. The budget is based on a fee of \$159.72 on approximately 24,600 bookings. This fee was not increased for 2003-04.

Sheriff contract overhead represents certain county overhead charges recovered through city law enforcement contracts with the Sheriff's Department.

SB 813 cost reimbursement represents allowable charges for administration and operation of the supplemental property tax program. This reimbursement is tied directly to the performance of supplemental property tax revenue. Other services reflect the property tax administrative fee, which the legislature provided for counties to recover the cost of property assessment and tax collection process from certain other local jurisdictions. This revenue is tied directly to the cost of that collection effort.

### OTHER REVENUE - \$1,430,000

Other revenue consists of voided warrants issued by the county, projected transfers of unclaimed property tax refunds to the general fund, the county share of vehicle code violation revenue, and other miscellaneous revenues.